## AMENDED IN ASSEMBLY APRIL 22, 2008 AMENDED IN ASSEMBLY APRIL 1, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

## ASSEMBLY BILL

No. 2596

## **Introduced by Assembly Member Jones**

February 22, 2008

An act to add Section-38573 38594.5 to the Health and Safety Code, relating to air pollution.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2596, as amended, Jones. California Global Warming Solutions Act of 2006: cities and counties: market-based compliance mechanisms. *counties*.

Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law, the California Global Warming Solutions Act of 2006, designates the state board State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, and requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms to comply with the regulations.

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This bill would authorize a city or county, to the extent its plans and implementing ordinances will reduce its greenhouse gas emissions by 25% or more of state board projections, to sell, exchange, or auction any emission reductions achieved by those plans and ordinances in any open market-based compliance mechanism established by the state board.

This bill would require the state board to quantify a baseline level of greenhouse gas emissions generated by land use and transportation activities in 2009 for each city and county with a population of at least 50,000. The state board would also be required to develop and make available to cities and counties a model that cities and counties may use to quantify the projected level of greenhouse gas emissions for the period from January 1, 2011, through January 1, 2020, that will be generated from land use and transportation activities for each city and county.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 38573 38594.5 is added to the Health and Safety Code, to read:

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38594.5. (a) On or before January 1, 2011, the state board shall quantify a baseline level of greenhouse gas emissions generated by land use and transportation activities for each city and county from activities in 2009 in 2009 for each city and county with a population of at least 50,000.

(b) On or before January 1, 2011, the state board shall develop and make available to cities and counties a model that cities and counties may use to quantify the projected level of greenhouse gas emissions, for the period from January 1, 2011, through January 1, 2020, that will be generated from land use and transportation activities for each city and county based on established trends and existing plans and the baseline level determined pursuant to subdivision (a). Nothing in this subdivision requires a city or county to utilize the model developed by the state board or to quantify its projected level of greenhouse gas emissions.

(c) (1) If a city or county adopts plans and implementing ordinances that will reduce its greenhouse gas emissions by 25

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percent or more of the state board projections established pursuant to subdivision (b), the city or county may sell, exchange, or auction any emission reductions achieved by those plans and ordinances in any open market-based compliance mechanism established by the state board pursuant to Section 38570.

- (2) Before a city or county may participate in any market-based compliance mechanisms, the state board shall determine both of the following:
- (A) The plans and ordinances described in paragraph (1) are adopted and enforceable, and will result in reductions in greenhouse gas emissions meeting the requirements of paragraph (1).
- (B) Actual, verifiable reductions in greenhouse gas emissions have occurred.